

REQUEST FOR APPROVAL

To: Cara Morgan
Branch Chief, Local Assistance and Market Development

From: Mitch Delmage
Recycling Market Development Zone Redesignation Coordinator

Request Date: November 20, 2015

Decision Subject: Approve the Renewal Applications for the Recycling Market Development Zone (RMDZ) Designation for the Following: City of Santa Clarita RMDZ; Placer County RMDZ; San Joaquin County RMDZ; and Siskiyou County RMDZ, and Approve the Designation Applications for Orange County RMDZ and Solano County RMDZ

Action By: December 15, 2015

Summary of Request:

As outlined in Public Resources Code section 42011, Recycling Market Development Zones (RMDZs) are approved for a term of 10 years. At the end of this term, the Zone Administrator (ZA) or other delegated persons may reapply to CalRecycle for another 10-year designation term (California Code of Regulations section 17914). Four RMDZs have submitted applications to renew their designations for another 10-year term. In order for these Zones and their businesses to continue to receive RMDZ services, including low interest loans, CalRecycle is being requested to consider and approve these redesignation applications. Additionally, an RMDZ Designation Cycle was initiated in 2015, and as a result, two jurisdictions applied to become new RMDZs.

These Zones encompass numerous cities and counties and represent jurisdictions in northern, central, and southern California. The City of Santa Clarita RMDZ is located in Los Angeles County in the center of the 256-square-mile Santa Clarita Valley. The Placer County RMDZ is located on the northeast side of the State of California. The San Joaquin County RMDZ includes all of the unincorporated areas of the county and the incorporated cities of Stockton, Manteca, Lodi, Tracy, Lathrop, Ripon, and Escalon. The Siskiyou County RMDZ includes the County of Siskiyou in total, including the incorporated cities of Dorris, Dunsmuir, Etna, Fort Jones, Montague, Mt. Shasta, Tulelake, Weed, and Yreka.

Designation Cycle 2015-- In March 2015, CalRecycle initiated a designation cycle. As a result, the Counties of Orange (including the cities of Huntington Beach, Orange, Santa Ana, Garden Grove, Stanton, and County of Orange unincorporated areas) and Solano (including the cities of Benicia, Dixon, Fairfield, Rio Vista, Vacaville, Vallejo, and the unincorporated areas of Solano County) have submitted an application. Each applicant met all the designation requirements to become a Zone. Approving these two new Zones would bring the total to 38 Zones. These new designations are expected to expand local markets; and, thereby increase diversion of recyclables, reduce disposal, add local jobs, and reduce environmental impacts of

manufacturing by using secondary materials. They also have the potential to: (1) reduce greenhouse gas emissions; (2) increase energy savings; and, (3) reduce air and water pollution.

Recommendation:

Staff recommends that the four Recycling Market Development Zones and the two new RMDZs identified above be found to have submitted complete Renewal and Designation Applications and have met all statutory and regulatory requirements to be redesignated and designated as fully functional RMDZs, and recommends that CalRecycle find that these Projects will not have any adverse environmental effects that are subject to mitigation or avoidance under the jurisdiction of the Department. The approval for each Zone would be conditioned upon the receipt of all of the resolutions and/or other documentation within 60-90 days.

Branch Chief Action:

On the basis of the information and analysis in this Request for Approval and the findings set out above, I hereby approve the Redesignation of the four above mentioned Recycling Market Development Zones.

Dated: _____

Cara Morgan, Branch Chief
Local Assistance and Market Development

Background Information, Analysis, and Findings:

The Recycling Market Development Zone program combines recycling with economic development to fuel new businesses, expand existing ones, create jobs, and divert waste from landfills. The program provides attractive loans, technical assistance, and free product marketing through RecycleStore to businesses that use materials from the waste stream to manufacture their products and that are located in a CalRecycle-designated Recycling Market Development Zone. Business assistance is provided through a partnership between local Zone Administrators and CalRecycle. Local government incentives may include special variances in building codes and zoning laws, streamlined local permit processes, reduced taxes and licensing, and consistent secondary material feedstock supply.

These Zones have adequately addressed all requirements by submitting the information noted below:

City of Santa Clarita RMDZ Redesignation	YES	N	N/A
Renewal Application	X		
CEQA Documentation or Notice of Exemption Provided	X		
Resolution from Lead Agency	X		
Resolutions from Participating Agencies, if applicable	X		

Placer County RMDZ Redesignation	YES	N	N/A
Renewal Application	X		
CEQA Documentation or Notice of Exemption Provided	X		
Resolution from Lead Agency	X*		
Resolutions from Participating Agencies, if applicable	X*		

*Approval for this Zone would be conditioned upon the receipt of all of the required resolutions and other documents within 60-90 days.

San Joaquin County RMDZ Redesignation	YES	NO	N/A
Renewal Application	X		
CEQA Documentation or Notice of Exemption Provided	X		
Resolution from Lead Agency	X*		
Resolutions from Participating Agencies, if applicable	X*		

*Approval for this Zone would be conditioned upon the receipt of all of the required resolutions and other documents within 60-90 days.

Siskiyou County RMDZ Redesignation	YES	N	N/A
Renewal Application	X		
CEQA Documentation or Notice of Exemption Provided	X		
Resolution from Lead Agency	X		
Resolutions from Participating Agencies, if applicable	X*		

*Approval for this Zone would be conditioned upon the receipt of all of the required resolutions and other documents within 60-90 days.

New Designations:

In its March 2015 action, CalRecycle approved scoring criteria based on a combination of overall statewide objectives contained in pertinent statute and regulations, regionally focused objectives, and several measures regarding plan and resource adequacy. During the 2015 Designation cycle, two applications were submitted by the deadline of October 30, 2015. Staff conducted final reviews for each application. To be considered for the RMDZ Program, the application had to be complete and receive a passing score of 70 points or more out of the 100 points available. The final scores were based on completeness as shown in the Completeness and Adequacy Findings listed in Tables 1 and 2, and on the Scoring Criteria in Table 3 below. Both applicants scored above the required 70 points necessary to be considered for approval, the County of Orange (95) and the County of Solano (89) and each had complete (or to be completed within the timeframe of 30-90 days) applications. Each applicant demonstrated through their application that they were both committed and prepared to become an RMDZ. These new designations are expected to allow for successful loan applicants and other RMDZ businesses to expand local markets; and, thereby increase diversion of recyclables, reduce disposal, add local jobs, and reduce environmental impacts of manufacturing by using secondary materials. This also has the potential to: reduce greenhouse gas emissions; increase energy savings; reduce air and water pollution, and support the State's 75% Initiative. These prospective RMDZs have adequately addressed all requirements for completeness by submitting the information noted in the tables below:

Table 1: Completeness and Adequacy Findings for Applicants

County of Orange RMDZ Designation	YES	NO	N/A
Designation Application, Maps, Charts, and Letters of Support	X		
CEQA Documents or Notice of Exemption	X		
Resolution from Lead Agency	X		
Resolutions from Participating Agencies, if applicable	X		

Table 2: Completeness and Adequacy Findings for Applicants

County Solano RMDZ Designation	YES	NO	N/A
Designation Application, Maps, Charts, and Letters of Support	X		
CEQA Documents or Notice of Exemption	X		
Resolution from Lead Agency	X*		
Resolutions from Participating Agencies, if applicable	X*		

*Approval for this Zone would be conditioned upon the receipt of all of the required resolutions and other documents within 60-90 days.

Under the California Environmental Quality Act (CEQA), CalRecycle is a Responsible Agency with respect to redesignation of RMDZs (the Project).

1. The City of Santa Clarita RMDZ prepared Notice of Exception (NOE) (the Environmental Document) in connection with its approval of the project.
2. Placer County RMDZ prepared Notice of Exception (NOE) (the Environmental Document) in connection with its approval of the project.
3. San Joaquin County RMDZ prepared a Notice of Exemption (NOE) (the Environmental Document) in connection with its approval of the Project.
4. Stanislaus County RMDZ prepared a Notice of Exemption (NOE) (the Environmental Document) in connection with its approval of the Project.

New Designations:

1. Orange County RMDZ prepared a Notice of Exemption (NOE) (the Environmental Document) in connection with its approval of the Project.
2. Solano County RMDZ prepared a Notice of Exemption (NOE) (the Environmental Document) in connection with its approval of the Project.

In each case, these Zone applicants selected a member to serve as Lead Agency and each prepared a Notice of Exemption (NOE) (Environmental Documents) in connection with its approval of the each Project.

The Department has examined and determined that each of the Environmental Documents were adequate for our purposes and has considered the potential environmental effects of the individual Projects as described in the Environmental Documents prepared by the each Lead Agency. Staff recommends that the Department find that these Projects will not have any adverse environmental effects that are subject to mitigation or avoidance under the jurisdiction of the Department.

The administrative record for CalRecycle's decision to accept the local

Environmental Documents includes the administrative record before the Lead Agency, the proposed Project together with all of the components and supporting documentation, this staff report, the Environmental Documents adopted by the Lead Agency, and all other documents and materials utilized by the Department in reaching its decision to approve the proposed Projects. The custodian of the Department's administrative record is Dona Sturgess, Legal Office, Department of Resources Recycling and Recovery, P.O. Box 4025, Sacramento, CA 95812-4025. The Department will file a Notice of Exemption with the State Clearinghouse following Department approval of the Project.